

AMENDED IN SENATE AUGUST 11, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1480

Introduced by Committee on Budget (Skinner (Chair), Bloom, Campos, Chesbro, Dababneh, Daly, Dickinson, Gordon, Jones-Sawyer, Mullin, Muratsuchi, Nazarian, Rodriguez, Stone, Ting, and Weber)

January 9, 2014

~~An act relating to the Budget Act of 2014.~~ *An act to amend Sections 8278.3, 8357, 8447, 8450, 48000, 51749.5, 53012, 84754.6, 89295, 92495, and 92675 of the Education Code, and to amend Section 10502 of the Public Contract Code, relating to education finance, and making an appropriation therefor, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1480, as amended, Committee on Budget. ~~Budget Act of 2014.~~ *Education finance.*

(1) Existing law establishes the Child Care Facilities Revolving Fund, a continuously appropriated fund, to provide funding for the renovation, repair, or improvement of an existing building to make it suitable for licensure for child care and development services and for the purchase of new relocatable child care facilities for lease to local educational agencies and contracting agencies that provide child care and development services. Existing law requires local educational agencies and contracting agencies using facilities made available by the use of these funds to be charged a leasing fee, as specified, and requires the Superintendent of Public Instruction to deposit any revenue derived from the lease payments into the fund. Existing law requires

augmentations to the fund made in the Budget Act of 2014 to be used for renovation or repair of existing local educational facilities or new relocatable child care facilities for lease to local educational agencies that provide California state preschool program services.

This bill would require the funding for the renovation, repair, or improvement of an existing building to make it suitable for licensure for child care and development services to be used for loans, would require the loans to be repaid within a period that does not exceed 10 years, and would require the Superintendent to deposit all revenue derived from the loan repayments into the fund, thereby making an appropriation. The bill would also require augmentations to the fund made in the Budget Act of 2014 to be used for loans for renovation or repair of existing local educational agency facilities to ensure those facilities meet applicable health and safety standards or the purchase of new relocatable child care facilities for lease to local educational agencies, for the purpose of expanding access to California state preschool program services.

(2) Existing law requires the cost of child care services provided for CalWORKs recipients to be governed by regional market rates and requires the regional market rate ceilings to be established at the 85th percentile of the 2005 regional market rate survey for that region.

This bill, commencing January 1, 2015, would instead require the regional market rate ceilings to be established at the greater of either the 85th percentile of the 2009 regional market rate survey for that region, reduced by 9%, or the 85th percentile of the 2005 regional market rate survey for that region.

(3) Existing law requires the Department of Finance and the Department of General Services to approve or disapprove annual state subsidized child care and development program contract funding terms and conditions, including both family fee schedules and regional market rate schedules that are required to be adhered to by contract. Existing law, commencing January 1, 2015, requires the State Department of Education to implement the regional market schedule based upon the county aggregates, as determined by the Regional Market survey conducted in 2009 and require the regional market rate schedule to be reduced by 13%, except as specified.

This bill would instead require the regional market rate schedule to be reduced by 9%, except as specified.

(4) Existing law authorizes a child development contractor to retain a reserve fund balance equal to 5% of the sum of the maximum

reimbursable amount of all contracts to which the contractor is a party, or \$2,000, whichever is greater, and authorizes a California state preschool program contracting agency to retain in the reserve fund an additional 10% of the sum of the maximum reimbursable amount of all preschool contracts to which the contracting agency is a party for purposes of professional development for California state preschool program staff.

This bill would clarify the reserve fund balance limits that apply to child development contractors and California state preschool program contracting agencies, as specified.

(5) Existing law requires a school district or charter school, as a condition of receipt of apportionment for pupils in a transitional kindergarten program, to ensure that teachers who are assigned to a transitional kindergarten class after July 1, 2015, be credentialed and, by August 1, 2020, have a minimum number of units in early childhood education or childhood development, comparable experience in a preschool setting, or a child development permit issued by the Commission on Teacher Credentialing.

This bill would instead require a school district or charter school, as a condition of receipt of apportionment for pupils in a transitional kindergarten program, to ensure that credentialed teachers who are first assigned to a transitional kindergarten class after July 1, 2015, have, by August 1, 2020, a minimum number of units in early childhood education or childhood development, comparable experience in a preschool setting, or a child development teacher permit issued by the Commission on Teacher Credentialing.

(6) Existing law, commencing with the 2015–16 school year, authorizes a school district, charter school, or county office of education to provide independent study courses for pupils enrolled in kindergarten and grades 1 to 12, inclusive, in accordance with prescribed conditions. Existing law provides for the computation of the average daily attendance for pupils enrolled in courses offered pursuant to these provisions.

This bill would revise the computation of the average daily attendance for those independent study courses by providing that if more than 10% of the total average daily attendance of a school district, charter school, or county office of education is claimed pursuant to those courses, the amount of average daily attendance for all pupils enrolled by that school district, charter school, or county office of education enrolled in those courses that exceeds 10% of the school district's, charter school's, or

county office of education's total average daily attendance shall be reduced, as specified.

(7) Existing law establishes the California Career Pathways Trust as a state education and economic and workforce development initiative, requires the State Department of Education to administer the trust as a competitive grant program, as specified, and provides that a grant recipient may be a school district, county office of education, direct-funded charter school, or community college district.

This bill would provide that a regional occupational center or program operated as a joint powers authority may also be a grant recipient.

(8) Existing law requires the Chancellor of the California Community Colleges to publicly post annual segmentwide and community college district goals, and requires the chancellor, in coordination with stakeholders, specified committees of the Legislature, and the Department of Finance, to develop, and the board of governors to adopt, a framework of indicators designed to measure and assess the ongoing condition of a community college's operational environment in specified areas. Existing law requires, as a condition of the receipt of specified funds, each community college within a community college district to annually develop, adopt, and post a goals framework that addresses at least all of the specified areas referenced above in connection with the measurement and assessment of the ongoing condition of a community college's operational environment.

This bill would state legislative intent regarding these goals frameworks and would require the board of governors to annually develop, adopt, and publicly post a systemwide goals framework that addresses at least all of the specified areas referenced above in connection with the measurement and assessment of the ongoing condition of a community college's operational environment.

(9) Existing law requires the California State University and the University of California to report, by March 15 of each year, on specified performance measures, including various calculations of graduation rates and amounts spent per degree, for the preceding academic year.

This bill would express the intent of the Legislature that the appropriate policy and fiscal committees of the Legislature review these performance measures in a collaborative process with the Department of Finance, the Legislative Analyst's Office, individuals with expertise in statewide accountability efforts, the University of California, the

California State University, and the California Community Colleges, and consider any recommendations for their modification and refinement, as specified.

(10) Existing law establishes procedures to be followed by the University of California if it plans to use any of the support appropriation in the annual budget for a subsequent fiscal year for capital expenditures, as specified. Under existing law, these procedures include the submission of specified data to the Joint Legislative Budget Committee.

This bill would revise these procedures to provide for the submission of this data to the committees in each house of the Legislature that consider the annual state budget and the budget subcommittees in each house of the Legislature that consider appropriations for the University of California, instead of to the Joint Legislative Budget Committee.

(11) Existing law requires the Regents of the University of California to give public notice of a project to bidders by publication twice in one newspaper of general circulation published in the county in which the major portion of the project is located and in one trade paper circulated in the county in which the major portion of the work is to be done, as specified, within the 60-day period preceding the day set for the receiving of bids.

This bill would authorize the regents to give public notice of a project to bidders under this provision either in the newspaper and trade paper as indicated above or electronically on the Internet Web site of the university.

(12) Existing law authorizes a school district or charter school to maintain a transitional kindergarten program and defines transitional kindergarten as the first year of a 2-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate. Existing law requires the Superintendent of Public Instruction to administer all California state preschool programs. Existing law requires those programs to include part-day age and developmentally appropriate programs designed to facilitate the transition to kindergarten for 3- and 4-year-old children. Existing law requires the county board of supervisors and the county superintendent of schools to select members of a local planning council. Existing law requires a local planning council to conduct an assessment of child care needs in the county no less than once every 5 years.

Of the moneys appropriated in the Budget Act of 2014, this bill would allocate certain of those moneys for purposes of professional

development stipends, to be administered by local planning councils, for teachers in transitional kindergarten and teachers in the California state preschool program, as provided. By imposing a new duty on a local planning council, the bill would create a state-mandated local program.

(13) This bill would make nonsubstantive changes to these provisions.

(14) Funds allocated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution, as provided.

(15) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

(16) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2014.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8278.3 of the Education Code is amended
 2 to read:
 3 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
 4 hereby established in the State Treasury to provide funding for
 5 loans for the renovation, repair, or improvement of an existing
 6 building to make the building suitable for licensure for child care
 7 and development ~~services~~ services, and for the purchase of new
 8 relocatable child care facilities for lease to local educational
 9 agencies and contracting agencies that provide child care and
 10 development services, pursuant to this chapter. The Superintendent
 11 may transfer state funds appropriated for child care facilities into
 12 this fund for allocation to local educational agencies and
 13 contracting agencies, as specified, for the purchase, transportation,

1 and installation of facilities for replacement and expansion of
2 capacity. Local educational agencies and contracting agencies
3 using facilities ~~made available~~ *purchased* by the use of these funds
4 shall be charged a leasing fee, either at a fair market value for those
5 facilities or at an amount sufficient to amortize the cost of purchase
6 and relocation, whichever amount is lower, over a 10-year period.
7 Upon full repayment of the purchase and relocation costs, title
8 shall transfer from the State of California to the local educational
9 agency or contracting agency. *Loans for renovation or repair shall*
10 *be repaid within a period that does not exceed 10 years.* The
11 Superintendent shall deposit all revenue derived from the lease
12 *payments or renovation or repair loan repayments* into the Child
13 Care Facilities Revolving Fund.

14 (2) Notwithstanding Section 13340 of the Government Code,
15 all moneys in the fund, including moneys deposited from lease
16 ~~payments,~~ *payments or loan repayments,* are continuously
17 appropriated, without regard to fiscal years, to the Superintendent
18 for expenditure pursuant to this article.

19 (3) Augmentations to the Child Care Facilities Revolving Fund
20 made in the Budget Act of 2014 shall be used for *loans for*
21 *renovation or repair of existing local educational agency facilities*
22 *to ensure those facilities meet applicable health and safety*
23 *standards or the purchase of new relocatable child care facilities*
24 *for lease to local educational ~~agencies that provide~~ agencies, for*
25 *the purpose of expanding access to California state preschool*
26 *program services pursuant to this chapter.*

27 (b) On or before August 1 of each fiscal year, the Superintendent
28 shall submit to the Department of Finance and the Legislative
29 Analyst's Office a report detailing the number of funding requests
30 received and their purpose, the types of agencies that received
31 funding from the Child Care Facilities Revolving Fund, the
32 increased capacity that these facilities generated, a description of
33 the manner in which the facilities are being used, and a projection
34 of the lease payments *and loan repayments* collected and the funds
35 available for future use.

36 (c) A local educational agency that provides child care pursuant
37 to the California School Age Families Education Program (Article
38 7.1 (commencing with Section 54740) of Chapter 9 of Part 29 of
39 Division 4 of Title 2) is eligible to apply for and receive funding
40 pursuant to this section.

1 *SEC. 2. Section 8357 of the Education Code is amended to*
2 *read:*

3 8357. (a) The cost of child care services provided under this
4 article shall be governed by regional market rates. Recipients of
5 child care services provided pursuant to this article shall be allowed
6 to choose the child care services of licensed child care providers
7 or child care providers who are, by law, not required to be licensed,
8 and the cost of that child care shall be reimbursed by counties or
9 agencies that contract with the State Department of Education if
10 the cost is within the regional market rate. For purposes of this
11 section, “regional market rate” means care costing no more than
12 1.5 market standard deviations above the mean cost of care for
13 that region. The regional market rate ceilings shall be established
14 at the 85th percentile of the 2005 regional market rate survey for
15 that region. *Commencing January 1, 2015, the regional market*
16 *rate ceilings shall be established at the greater of either the 85th*
17 *percentile of the 2009 regional market rate survey for that region,*
18 *reduced by 9 percent, or the 85th percentile of the 2005 regional*
19 *market rate survey for that region.*

20 (b) Reimbursement to license-exempt child care providers shall
21 not exceed 60 percent of the family child care home rate established
22 pursuant to subdivision (a), effective July 1, 2011.

23 (c) Reimbursement to child care providers shall not exceed the
24 fee charged to private clients for the same service.

25 (d) Reimbursement shall not be made for child care services
26 when care is provided by parents, legal guardians, or members of
27 the assistance unit.

28 (e) A child care provider located on an Indian reservation or
29 rancheria and exempted from state licensing requirements shall
30 meet applicable tribal standards.

31 (f) For purposes of this section, “reimbursement” means a direct
32 payment to the provider of child care services, including
33 license-exempt providers. If care is provided in the home of the
34 recipient, payment may be made to the parent as the employer,
35 and the parent shall be informed of his or her concomitant legal
36 and financial reporting requirements. To allow time for the
37 development of the administrative systems necessary to issue direct
38 payments to providers, for a period not to exceed six months from
39 the effective date of this article, a county or an alternative payment
40 agency contracting with the State Department of Education may

1 reimburse the cost of child care services through a direct payment
2 to a recipient of aid rather than to the child care provider.

3 (g) Counties and alternative payment programs shall not be
4 bound by the rate limits described in subdivision (a) when there
5 are, in the region, no more than two child care providers of the
6 type needed by the recipient of child care services provided under
7 this article.

8 (h) Notwithstanding any other ~~provision of law~~, reimbursements
9 to child care providers based upon a daily rate may only be
10 authorized under either of the following circumstances:

11 (1) A family has an unscheduled but documented need of six
12 hours or more per occurrence, such as the parent's need to work
13 on a regularly scheduled day off, that exceeds the certified need
14 for child care.

15 (2) A family has a documented need of six hours or more per
16 day that exceeds no more than 14 days per month. In no event shall
17 reimbursements to a provider based on the daily rate over one
18 month's time exceed the provider's equivalent full-time monthly
19 rate or applicable monthly ceiling.

20 (3) This subdivision shall not limit providers from being
21 reimbursed for services using a weekly or monthly rate, pursuant
22 to subdivision (c) of Section 8222.

23 *SEC. 3. Section 8447 of the Education Code is amended to*
24 *read:*

25 8447. (a) The Legislature hereby finds and declares that greater
26 efficiencies may be achieved in the execution of state subsidized
27 child care and development program contracts with public and
28 private agencies by the timely approval of contract provisions by
29 the Department of Finance, the Department of General Services,
30 and the State Department of Education and by authorizing the State
31 Department of Education to establish a multiyear application,
32 contract expenditure, and service review as may be necessary to
33 provide timely service while preserving audit and oversight
34 functions to protect the public welfare.

35 (b) (1) The Department of Finance and the Department of
36 General Services shall approve or disapprove annual contract
37 funding terms and conditions, including both family fee schedules
38 and regional market rate schedules that are required to be adhered
39 to by contract, and contract face sheets submitted by the State
40 Department of Education not more than 30 working days from the

1 date of submission, unless unresolved conflicts remain between
2 the Department of Finance, the State Department of Education,
3 and the Department of General Services. The State Department of
4 Education shall resolve conflicts within an additional 30 working
5 day time period. Contracts and funding terms and conditions shall
6 be issued to child care contractors no later than June 1. Applications
7 for new child care funding shall be issued not more than 45
8 working days after the effective date of authorized new allocations
9 of child care moneys.

10 (2) Notwithstanding paragraph (1), until January 1, 2015, the
11 State Department of Education shall implement the regional market
12 rate schedules based upon the county aggregates, as determined
13 by the Regional Market survey conducted in 2005. Commencing
14 January 1, 2015, the State Department of Education shall
15 implement the regional market rate schedules based upon the 85th
16 percentile of county aggregates, as determined by the Regional
17 Market survey conducted in 2009. Commencing January 1, 2015,
18 the regional market rate schedule developed pursuant to this
19 paragraph shall be reduced by ~~13~~ 9 percent. If a ceiling for a county
20 is less than the ceiling provided for that county before January 1,
21 2015, the State Department of Education shall use the ceiling from
22 the Regional Market survey conducted in 2005.

23 (3) It is the intent of the Legislature to fully fund the third stage
24 of child care for former CalWORKs recipients.

25 (c) With respect to subdivision (b), it is the intent of the
26 Legislature that the Department of Finance annually review
27 contract funding terms and conditions for the primary purpose of
28 ensuring consistency between child care contracts and the child
29 care budget. This review shall include evaluating any proposed
30 changes to contract language or other fiscal documents to which
31 the contractor is required to adhere, including those changes to
32 terms or conditions that authorize higher reimbursement rates, ~~that~~
33 modify related adjustment factors, ~~that~~ modify administrative or
34 other service allowances, or ~~that~~ diminish fee revenues otherwise
35 available for services, to determine if the change is necessary or
36 has the potential effect of reducing the number of full-time
37 equivalent children that may be served.

38 (d) Alternative payment child care systems, as set forth in Article
39 3 (commencing with Section 8220), shall be subject to the rates
40 established in the Regional Market Rate Survey of California Child

1 Care Providers for provider payments. The State Department of
2 Education shall contract to conduct and complete a Regional
3 Market Rate Survey no more frequently than once every two years,
4 consistent with federal regulations, with a goal of completion by
5 March 1.

6 (e) By March 1 of each year, the Department of Finance shall
7 provide to the State Department of Education the state median
8 income amount for a four-person household in California based
9 on the best available data. The State Department of Education shall
10 adjust its fee schedule for child care providers to reflect this
11 updated state median income; however, no changes based on
12 revisions to the state median income amount shall be implemented
13 midyear.

14 (f) Notwithstanding the June 1 date specified in subdivision (b),
15 changes to the regional market rate schedules and fee schedules
16 may be made at any other time to reflect the availability of accurate
17 data necessary for their completion, provided these documents
18 receive the approval of the Department of Finance. The Department
19 of Finance shall review the changes within 30 working days of
20 submission and the State Department of Education shall resolve
21 conflicts within an additional 30 working day period. Contractors
22 shall be given adequate notice before the effective date of the
23 approved schedules. It is the intent of the Legislature that contracts
24 for services not be delayed by the timing of the availability of
25 accurate data needed to update these schedules.

26 *SEC. 4. Section 8450 of the Education Code is amended to*
27 *read:*

28 8450. (a) All child development contractors are encouraged
29 to develop and maintain a reserve within the child development
30 fund, derived from earned but unexpended funds. Child
31 development contractors may retain all earned funds. For purposes
32 of this section, “earned funds” are those for which the required
33 number of eligible service units have been provided.

34 (b) (1) Earned funds shall not be expended for ~~any~~ activities
35 proscribed by Section 8406.7. Earned but unexpended funds shall
36 remain in the contractor’s reserve account within the child
37 development fund and shall be expended only by direct service
38 child development programs that are funded under contract with
39 the department.

1 (2) (A) Commencing July 1, 2011, a contractor may retain a
 2 reserve fund balance, separate from the reserve fund retained
 3 pursuant to subdivision (c) or (d), equal to 5 percent of the sum of
 4 the maximum reimbursable amounts of all contracts to which the
 5 contractor is a party, or two thousand dollars (\$2,000), whichever
 6 is greater. This paragraph applies to direct service child
 7 development programs *contracting agencies* that are funded under
 8 contract with the ~~department~~. *department and are not a California*
 9 *state preschool program contracting agency.*

10 (B) A California state preschool program contracting agency
 11 may retain ~~in a reserve fund balance, separate from the reserve~~
 12 ~~fund an additional 10~~ *retained pursuant to subdivision (c) or (d),*
 13 *equal to 15* percent of the sum of the maximum reimbursable
 14 amounts of all ~~preschool~~ contracts to which the ~~contracting agency~~
 15 ~~is a party~~ *contractor is a party, or two thousand dollars (\$2,000),*
 16 *whichever is greater. Of the 15 percent retained, 10 percent shall*
 17 *solely be used* for purposes of professional development for
 18 California state preschool program instructional staff. *This*
 19 *paragraph applies to California state preschool program*
 20 *contracting agencies that are funded under contract with the*
 21 *department.*

22 (c) Notwithstanding subdivisions (a) and (b), a contractor may
 23 retain a reserve fund balance for a resource and referral program,
 24 separate from the balance retained pursuant to subdivision (b) or
 25 (d), not to exceed 3 percent of the contract amount. Funds from
 26 this reserve account may be expended only by resource and referral
 27 programs that are funded under contract with the department.

28 (d) Notwithstanding subdivisions (a) and (b), a contractor may
 29 retain a reserve fund balance for alternative payment model and
 30 certificate child care contracts, separate from the reserve fund
 31 retained pursuant to subdivisions (b) and (c). Funds from this
 32 reserve account may be expended only by alternative payment
 33 model and certificate child care programs that are funded under
 34 contract with the department. The reserve amount allowed by this
 35 section may not exceed either of the following, whichever is
 36 greater:

37 (1) Two percent of the sum of the parts of each contract to which
 38 that contractor is a party that is allowed for administration pursuant
 39 to Section 8276.7 and that is allowed for supportive services
 40 pursuant to the provisions of the contract.

1 (2) One thousand dollars (\$1,000).

2 (e) Each contractor’s audit shall identify any funds earned by
3 the contractor for each contract through the provision of contracted
4 services in excess of funds expended.

5 (f) Any interest earned on reserve funds shall be included in the
6 fund balance of the reserve. This reserve fund shall be maintained
7 in an interest-bearing account.

8 (g) Moneys in a contractor’s reserve fund may be used only for
9 expenses that are reasonable and necessary costs as defined in
10 subdivision (n) of Section 8208.

11 (h) Any reserve fund balance in excess of the amount authorized
12 pursuant to subdivisions (b), (c), and (d) shall be returned to the
13 department pursuant to procedures established by the department.

14 (i) Upon termination of all child development contracts between
15 a contractor and the department, all moneys in a contractor’s
16 reserve fund shall be returned to the department pursuant to
17 procedures established by the department.

18 (j) Expenditures from, additions to, and balances in, the reserve
19 fund shall be included in the *contracting* agency’s annual financial
20 statements and audit.

21 *SEC. 5. Section 48000 of the Education Code is amended to*
22 *read:*

23 48000. (a) A child shall be admitted to a kindergarten
24 maintained by the school district at the beginning of a school year,
25 or at a later time in the same year if the child will have his or her
26 fifth birthday on or before one of the following dates:

27 (1) December 2 of the 2011–12 school year.

28 (2) November 1 of the 2012–13 school year.

29 (3) October 1 of the 2013–14 school year.

30 (4) September 1 of the 2014–15 school year and each school
31 year thereafter.

32 (b) The governing board of a school district maintaining one or
33 more kindergartens may, on a case-by-case basis, admit to a
34 kindergarten a child having attained the age of five years at any
35 time during the school year with the approval of the parent or
36 guardian, subject to the following conditions:

37 (1) The governing board determines that the admittance is in
38 the best interests of the child.

1 (2) The parent or guardian is given information regarding the
2 advantages and disadvantages and any other explanatory
3 information about the effect of this early admittance.

4 (c) As a condition of receipt of apportionment for pupils in a
5 transitional kindergarten program pursuant to ~~subdivision (g) of~~
6 Section 46300, a school district or charter school shall ensure the
7 following:

8 (1) In the 2012–13 school year, a child who will have his or her
9 fifth birthday between November 2 and December 2 shall be
10 admitted to a transitional kindergarten program maintained by the
11 school district.

12 (2) In the 2013–14 school year, a child who will have his or her
13 fifth birthday between October 2 and December 2 shall be admitted
14 to a transitional kindergarten program maintained by the school
15 district.

16 (3) In the 2014–15 school year and each school year thereafter,
17 a child who will have his or her fifth birthday between September
18 2 and December 2 shall be admitted to a transitional kindergarten
19 program maintained by the school district.

20 (d) For purposes of this section, “transitional kindergarten”
21 means the first year of a two-year kindergarten program that uses
22 a modified kindergarten curriculum that is age and developmentally
23 appropriate.

24 (e) A transitional kindergarten shall not be construed as a new
25 program or higher level of service.

26 (f) It is the intent of the Legislature that transitional kindergarten
27 curriculum be aligned to the California Preschool Learning
28 Foundations developed by the department.

29 (g) As a condition of receipt of apportionment for pupils in a
30 transitional kindergarten program pursuant to ~~subdivision (g) of~~
31 Section 46300, a school district or charter school shall ensure that
32 *credentialed* teachers *who are first* assigned to a transitional
33 kindergarten classroom after July 1, 2015, ~~have been issued at~~
34 ~~least one credential by the Commission on Teacher Credentialing,~~
35 ~~and shall, by~~ *have, by* August 1, 2020, ~~have~~ one of the following:

36 (1) At least 24 units in early childhood education, or childhood
37 development, or both.

38 (2) As determined by the local educational agency employing
39 the teacher, professional experience in a classroom setting with

1 preschool age children that is comparable to the 24 units of
2 education described in paragraph (1).

3 (3) A child development *teacher* permit issued by the
4 Commission on Teacher Credentialing.

5 *SEC. 6. Section 51749.5 of the Education Code is amended to*
6 *read:*

7 51749.5. (a) Notwithstanding any other law, and commencing
8 with the 2015–16 school year, a school district, charter school, or
9 county office of education may, for pupils enrolled in kindergarten
10 and grades 1 to 12, inclusive, provide independent study courses
11 pursuant to the following conditions:

12 (1) The governing board or body of a participating school
13 district, charter school, or county office of education adopts
14 policies, at a public meeting, that comply with the requirements
15 of this section and any applicable regulations adopted by the state
16 board.

17 (2) A signed learning agreement is completed and on file
18 pursuant to Section 51749.6.

19 (3) Courses are taught under the general supervision of
20 certificated employees who hold the appropriate subject matter
21 credential pursuant to Section 44300 or 44865, or subdivision (I)
22 of Section 47605, meet the requirements for highly qualified
23 teachers pursuant to the federal No Child Left Behind Act of 2001
24 (20 U.S.C. Sec. 6301 et seq.), and are employed by the school
25 district, charter school, or county office of education at which the
26 pupil is enrolled, or by a school district, charter school, or county
27 office of education that has a memorandum of understanding to
28 provide the instruction in coordination with the school district,
29 charter school, or county office of education at which the pupil is
30 enrolled.

31 (4) (A) Courses are annually certified, by school district, charter
32 school, or county office of education governing board or body
33 resolution, to be of the same rigor and educational quality as
34 equivalent classroom-based courses, and shall be aligned to all
35 relevant local and state content standards.

36 (B) This certification shall, at a minimum, include the duration,
37 number of equivalent daily instructional minutes for each schoolday
38 that a pupil is enrolled, number of equivalent total instructional
39 minutes, and number of course credits for each course. This

1 information shall be consistent with that of equivalent
2 classroom-based courses.

3 (5) Pupils enrolled in courses authorized by this section shall
4 meet the applicable age requirements established pursuant to
5 Sections 46300.1, 46300.4, 47612, and 47612.1.

6 (6) Pupils enrolled in courses authorized by this section shall
7 meet the applicable residency and enrollment requirements
8 established pursuant to Sections 46300.2, 47612, 48204, and
9 51747.3.

10 (7) (A) Certificated employees and each pupil shall communicate
11 ~~in-person~~, *in person*, by telephone, or by any other live visual or
12 audio connection no less than twice per calendar month to assess
13 whether each pupil is making satisfactory educational progress.

14 (B) For purposes of this section, satisfactory educational
15 progress includes, but is not limited to, applicable statewide
16 accountability measures and the completion of assignments,
17 examinations, or other indicators that evidence that the pupil is
18 working on assignments, learning required concepts, and
19 progressing toward successful completion of the course, as
20 determined by certificated employees providing instruction.

21 (C) If satisfactory educational progress is not being made,
22 certificated employees providing instruction shall notify the pupil
23 and, if the pupil is less than 18 years of age, the pupil's parent or
24 legal guardian, and conduct an evaluation to determine whether it
25 is in the best interest of the pupil to remain in the course or whether
26 he or she should be referred to an alternative program, which may
27 include, but is not limited to, a regular school program. A written
28 record of the findings of an evaluation made pursuant to this
29 subdivision shall be treated as a mandatory interim pupil record.
30 The record shall be maintained for a period of three years from
31 the date of the evaluation and, if the pupil transfers to another
32 California public school, the record shall be forwarded to that
33 school.

34 (D) Written or computer-based evidence of satisfactory
35 educational progress, as defined in subparagraph (B), shall be
36 retained for each course and pupil. At a minimum, this evidence
37 shall include a grade book or summary document that, for each
38 course, lists all assignments, examinations, and associated grades.

39 (8) A proctor shall administer examinations.

1 (9) (A) Statewide testing results for pupils enrolled in any course
2 authorized pursuant to this section shall be reported and assigned
3 to the school or charter school at which the pupil is enrolled, and
4 to any school district, charter school, or county office of education
5 within which that school's or charter school's testing results are
6 aggregated.

7 (B) Statewide testing results for pupils enrolled in a course or
8 courses pursuant to this section shall be disaggregated for purposes
9 of comparing the testing results of those pupils to the testing results
10 of pupils enrolled in classroom-based courses.

11 (10) A pupil shall not be required to enroll in courses authorized
12 by this section.

13 (11) The pupil-to-certificated-employee ratio limitations
14 established pursuant to Section 51745.6 are applicable to courses
15 authorized by this section.

16 (12) For each pupil, the combined equivalent daily instructional
17 minutes for enrolled courses authorized by this section and enrolled
18 courses authorized by all other laws and regulations shall meet the
19 minimum instructional day requirements applicable to the local
20 educational agency. Pupils enrolled in courses authorized by this
21 section shall be offered the minimum annual total equivalent
22 instructional minutes pursuant to Sections 46200 to 46208,
23 inclusive, and Section 47612.5.

24 (13) Courses required for high school graduation or for
25 admission to the University of California or California State
26 University shall not be offered exclusively through independent
27 study.

28 (14) A pupil participating in independent study shall not be
29 assessed a fee prohibited by Section 49011.

30 (15) A pupil shall not be prohibited from participating in
31 independent study solely on the basis that he or she does not have
32 the materials, equipment, or Internet access that are necessary to
33 participate in the independent study course.

34 (b) For purposes of computing average daily attendance for
35 each pupil enrolled in one or more courses authorized by this
36 section, the following computations shall apply:

37 (1) (A) For each schoolday, add the combined equivalent daily
38 instructional minutes, as certified in paragraph (4) of subdivision
39 (a), for courses authorized by this section in which the pupil is
40 enrolled.

1 (B) For each schoolday, add the combined daily instructional
2 minutes of courses authorized by all other laws and regulations in
3 which the pupil is enrolled and for which the pupil meets applicable
4 attendance requirements.

5 (C) For each schoolday, add the sum of subparagraphs (A) and
6 (B).

7 (2) If subparagraph (C) of paragraph (1) meets applicable
8 minimum schoolday requirements for each schoolday, and all other
9 requirements in this section have been met, credit each schoolday
10 that the pupil is demonstrating satisfactory educational progress
11 pursuant to the requirements of this section, with up to one school
12 day of attendance.

13 (3) (A) Using credited schoolday attendance pursuant to
14 paragraph (2), calculate average daily attendance pursuant to
15 Section 41601 or 47612, whichever is applicable, for each pupil.

16 (B) The average daily attendance computed pursuant to this
17 subdivision shall not result in more than one unit of average daily
18 attendance per pupil.

19 (4) Notwithstanding any other law, average daily attendance
20 computed for pupils enrolled in courses authorized by this section
21 shall not be credited with average daily attendance other than what
22 is specified in this section.

23 (5) *If more than 10 percent of the total average daily attendance*
24 *of a school district, charter school, or county office of education*
25 *is claimed pursuant to this section, then the amount of average*
26 *daily attendance for all pupils enrolled by that school district,*
27 *charter school, or county office of education in courses authorized*
28 *pursuant to this section that is in excess of 10 percent of the total*
29 *average daily attendance for the school district, charter school,*
30 *or county office of education shall be reduced by either (A) the*
31 *statewide average rate of absence for elementary school districts*
32 *for kindergarten and grades 1 to 8, inclusive, or (B) the statewide*
33 *average rate of absence for high school districts for grades 9 to*
34 *12, inclusive, as applicable, as calculated by the department for*
35 *the prior fiscal year, with the resultant figures and ranges rounded*
36 *to the nearest 10th.*

37 (c) For purposes of this section, “equivalent total instructional
38 minutes” means the same number of minutes as required for an
39 equivalent classroom-based course.

1 (d) *Nothing in this section shall be deemed to prohibit the right*
2 *to collectively bargain any subject within the scope of*
3 *representation pursuant to Section 3543.2 of the Government Code.*

4 ~~(d)~~

5 (e) (1) The Superintendent shall conduct an evaluation of
6 independent study courses offered pursuant to this section and
7 report *the* findings to the Legislature and the Director of Finance
8 no later than September 1, 2019. The report shall, at a minimum,
9 compare the academic performance of pupils in independent study
10 with demographically similar pupils enrolled in equivalent
11 classroom-based courses.

12 (2) The requirement for submitting a report imposed under
13 paragraph (1) is inoperative on September 1, 2023, pursuant to
14 Section 10231.5 of the Government Code.

15 (3) A report to be submitted pursuant to paragraph (1) shall be
16 submitted in compliance with Section 9795 of the Government
17 Code.

18 *SEC. 7. Section 53012 of the Education Code is amended to*
19 *read:*

20 53012. A grant recipient under this chapter may be a school
21 district, ~~a county office of education, a direct-funded charter school,~~
22 *regional occupational center or program operated by a joint*
23 *powers authority, or community college district.*

24 *SEC. 8. Section 84754.6 of the Education Code is amended to*
25 *read:*

26 84754.6. (a) The Chancellor of the California Community
27 Colleges, in coordination with community college stakeholder
28 groups, the appropriate fiscal and policy committees of the
29 Legislature, and the Department of Finance, shall develop, and the
30 board of governors shall adopt, a framework of indicators designed
31 to measure the ongoing condition of a community college's
32 operational environment in the following areas:

33 (1) Accreditation status.

34 (2) Fiscal viability.

35 (3) Student performance and outcomes.

36 (4) Programmatic compliance with state and federal guidelines.

37 (b) As a condition of receipt of funds appropriated for purposes
38 of Article 1 (commencing with Section 78210) of Chapter 2 of
39 ~~Part 48 of Division 7, 48,~~ each community college within a
40 community college district shall develop, adopt, and publicly post

1 a goals framework that addresses at least all of the areas specified
2 in subdivision (a). *The development of the goals framework shall*
3 *be guided by the statewide goals outlined in Section 66010.91. It*
4 *is the intent of the Legislature that these goals be challenging and*
5 *quantifiable, address achievement gaps for underrepresented*
6 *populations, and align the educational attainment of California's*
7 *adult population to the workforce and economic needs of the state,*
8 *pursuant to the legislative intent expressed in Section 66010.93.*

9 (c) *The board of governors shall annually develop, adopt, and*
10 *publicly post a systemwide goals framework that addresses at least*
11 *all of the areas specified in subdivision (a). The development of*
12 *the systemwide goals shall be guided by the statewide goals set*
13 *forth in Section 66010.91. It is the intent of the Legislature that*
14 *these goals be challenging and quantifiable, address achievement*
15 *gaps for underrepresented populations, and align the educational*
16 *attainment of California's adult population to the workforce and*
17 *economic needs of the state, pursuant to the legislative intent*
18 *expressed in Section 66010.93.*

19 ~~(e)~~

20 (d) Before the commencement of the 2015–16 fiscal year, and
21 before the commencement of each fiscal year thereafter, the
22 Chancellor of the California Community Colleges shall publicly
23 post both of the following:

24 (1) Annually developed systemwide goals adopted by the board
25 of governors.

26 (2) Locally developed and adopted community college or
27 community college district goals and targets.

28 ~~(d)~~

29 (e) Subject to the availability of funding in the annual Budget
30 Act, the board of governors and the Chancellor of the California
31 Community Colleges shall assess the degree to which each
32 community college district is improving its outcomes in regard to
33 the areas specified in subdivision (a) and any additional issues
34 addressed in the goals frameworks described in ~~paragraph~~
35 *subdivision (b)*, and shall offer technical assistance to community
36 college districts that are not improving.

37 ~~(e)~~

38 (f) If a community college district is receiving technical
39 assistance pursuant to subdivision ~~(d)~~, (e), the community college

1 district shall submit a turnaround plan that details all of the
2 following:

- 3 (1) The problem the technical assistance is attempting to solve.
- 4 (2) How the identified problem will be addressed in a plan
5 adopted by the governing board of the community college district.
- 6 (3) A timetable of major milestones for improvement.
- 7 (4) Updates that will be submitted to the Chancellor of the
8 California Community Colleges on the outcomes in regard to those
9 milestones, as scheduled by the chancellor.

10 *SEC. 9. Section 89295 of the Education Code is amended to*
11 *read:*

12 89295. (a) For purposes of this section, the following terms
13 are defined as follows:

14 (1) The “four-year graduation rate” means the percentage of a
15 cohort of undergraduate students who entered the university as
16 freshmen at any campus and graduated from any campus within
17 four years.

18 (2) The “six-year graduation rate” means the percentage of a
19 cohort of undergraduate students who entered the university as
20 freshmen at any campus and graduated from any campus within
21 six years.

22 (3) The “two-year transfer graduation rate” means the percentage
23 of a cohort of undergraduate students who entered the university
24 at any campus as junior-level transfer students from the California
25 Community Colleges and graduated from any campus within two
26 years.

27 (4) The “three-year transfer graduation rate” means the
28 percentage of a cohort of undergraduate students who entered the
29 university as junior-level transfer students from the California
30 Community Colleges at any campus and graduated from any
31 campus within three years.

32 (5) The “four-year transfer graduation rate” means the
33 percentage of a cohort of undergraduate students who entered the
34 university as junior-level transfer students from the California
35 Community Colleges at any campus and graduated from any
36 campus within four years.

37 (6) “Low-income student” means an undergraduate student who
38 has an expected family contribution, as defined in subdivision (g)
39 of Section 69432.7, at any time during the student’s matriculation
40 at the institution that would qualify the student to receive a federal

1 Pell Grant. The calculation of a student's expected family
2 contribution shall be based on the Free Application for Federal
3 Student Aid (FAFSA) application or an application determined by
4 the California Student Aid Commission to be equivalent to the
5 FAFSA application submitted by that applicant.

6 (b) Commencing with the 2013–14 academic year, the California
7 State University shall report, by March 15 of each year, on the
8 following performance measures for the preceding academic year,
9 to inform budget and policy decisions and promote the effective
10 and efficient use of available resources:

11 (1) The number of California Community College transfer
12 students enrolled and the percentage of California Community
13 College transfer students as a proportion of the total number of
14 undergraduate students enrolled.

15 (2) The number of new California Community College transfer
16 students enrolled and the percentage of new California Community
17 College transfer students as a proportion of the total number of
18 new undergraduate students enrolled.

19 (3) The number of low-income students enrolled and the
20 percentage of low-income students as a proportion of the total
21 number of undergraduate students enrolled.

22 (4) The number of new low-income students enrolled and the
23 percentage of low-income students as a proportion of the total
24 number of new undergraduate students enrolled.

25 (5) The four-year graduation rate for students who entered the
26 university four years prior and, separately, for low-income students
27 in that cohort.

28 (6) The four-year and six-year graduation rates for students who
29 entered the university six years prior and, separately, for
30 low-income students in that cohort.

31 (7) The two-year transfer graduation rate for students who
32 entered the university two years prior and, separately, for
33 low-income students in that cohort.

34 (8) The two-year and three-year transfer graduation rates for
35 students who entered the university three years prior and,
36 separately, for low-income students in that cohort.

37 (9) The two-year, three-year, and four-year transfer graduation
38 rates for students who entered the university four years prior and,
39 separately, for low-income students in that cohort.

1 (10) The number of degree completions annually, in total and
2 for the following categories:

3 (A) Freshman entrants.

4 (B) California Community College transfer students.

5 (C) Graduate students.

6 (D) Low-income students.

7 (11) The percentage of freshman entrants who have earned
8 sufficient course credits by the end of their first year of enrollment
9 to indicate that they will graduate within four years.

10 (12) The percentage of California Community College transfer
11 students who have earned sufficient course credits by the end of
12 their first year of enrollment to indicate that they will graduate
13 within two years.

14 (13) For all students, the total amount of funds received from
15 all sources identified in subdivision (c) of Section 89290 for the
16 year, divided by the number of degrees awarded that same year.

17 (14) For undergraduate students, the total amount of funds
18 received from all sources identified in subdivision (c) of Section
19 89290 for the year expended for undergraduate education, divided
20 by the number of undergraduate degrees awarded that same year.

21 (15) The average number of California State University course
22 credits and the total course credits, including credits accrued at
23 other institutions, accumulated by all undergraduate students who
24 graduated, and separately for freshman entrants and California
25 Community College transfer students.

26 (16) (A) The number of degree completions in science,
27 technology, engineering, and mathematics (STEM) fields, in total,
28 and separately for undergraduate students, graduate students, and
29 low-income students.

30 (B) For purposes of subparagraph (A), “STEM fields” include,
31 but are not necessarily limited to, all of the following: computer
32 and information sciences, engineering and engineering
33 technologies, biological and biomedical sciences, mathematics
34 and statistics, physical sciences, and science technologies.

35 (c) *It is the intent of the Legislature that the appropriate policy*
36 *and fiscal committees of the Legislature review these performance*
37 *measures in a collaborative process with the Department of*
38 *Finance, the Legislative Analyst’s Office, individuals with expertise*
39 *in statewide accountability efforts, the University of California,*
40 *the California State University, and, for purposes of data integrity*

1 *and consistency, the California Community Colleges, and consider*
2 *any recommendations for their modification and refinement. It is*
3 *further the intent of the Legislature that any modification or*
4 *refinement of these measures be guided by the legislative intent*
5 *expressed in Section 66010.93.*

6 *SEC. 10. Section 92495 of the Education Code is amended to*
7 *read:*

8 92495. (a) (1) Commencing with the 2013–14 fiscal year and
9 for each fiscal year thereafter, if the University of California plans
10 to use any of its support appropriation in the annual budget for the
11 subsequent fiscal year for capital expenditures pursuant to Section
12 92493, as defined in paragraph (1) of subdivision (b) of that
13 section, or for capital outlay projects pursuant to Section 92494,
14 as defined in paragraph (1) of subdivision (b) of that section, it
15 shall simultaneously submit, on or before September 1, 10 months
16 before the commencement of that fiscal year, a report to the ~~Joint~~
17 ~~Legislative Budget Committee~~ *committees in each house of the*
18 *Legislature that consider the annual state budget, the budget*
19 *subcommittees in each house of the Legislature that consider*
20 *appropriations for the University of California, and the Department*
21 *of Finance.*

22 (2) The report shall detail the scope of capital expenditures or
23 ~~the capital outlay project projects~~ and how the capital expenditures
24 ~~or the capital outlay project projects~~ will be funded, and it shall
25 provide the same level of detail as a capital outlay budget change
26 proposal.

27 (3) The Department of Finance shall review the report and
28 submit, *by February 1*, a list of preliminarily approved capital
29 expenditures and capital outlay projects to the ~~Joint Legislative~~
30 ~~Budget Committee by February 1.~~ *The committees in each house*
31 *of the Legislature that consider the annual state budget and the*
32 *budget subcommittees in each house of the Legislature that*
33 *consider appropriations for the University of California. These*
34 *committees may review and respond to the list of preliminarily*
35 *approved capital expenditures and capital outlay projects before*
36 *April 1.*

37 (4) *The Department of Finance shall submit a final list of*
38 *approved capital expenditures and capital outlay projects to the*
39 *University of California no earlier than April 1, three months before*
40 *the commencement of the fiscal year of the planned expenditures.*

1 (b) The Department of Finance may approve capital expenditures
2 defined in paragraph (3) of subdivision (b) of Section 92493, or
3 capital outlay projects defined in paragraph (2) of subdivision (b)
4 of Section 92494, no sooner than 30 days after submitting, in
5 writing, a list of *capital* expenditures and *capital outlay* projects
6 being considered for approval to the chairpersons of the committees
7 in each house of the Legislature that consider appropriations, the
8 chairpersons of the committees and the appropriate subcommittees
9 in each house of the Legislature that consider the State Budget,
10 and the Chairperson of the Joint Legislative Budget Committee.

11 (c) The University of California shall not use its General Fund
12 support appropriation to fund a capital expenditure defined in
13 paragraph (1) or (3) of subdivision (b) of Section 92493, or capital
14 outlay project defined in subdivision (b) of Section 92494, before
15 receiving approval from the Department of Finance pursuant to
16 this section.

17 (d) (1) For the 2013–14 fiscal year only, if the University of
18 California plans to use any of its support appropriation in the
19 annual budget for the 2013–14 fiscal year for capital expenditures
20 pursuant to Section 92493, as defined in paragraph (1) of
21 subdivision (b) of that section, or for capital outlay projects
22 pursuant to Section 92494, it shall simultaneously submit, on or
23 before August 1 of that fiscal year, a report to the Joint Legislative
24 Budget Committee and the Department of Finance. This report
25 shall detail the scope of each capital outlay project or *capital*
26 expenditure and how it will be funded, and it shall provide the
27 same level of detail as a capital outlay budget change proposal.

28 (2) The Department of Finance shall review the report and
29 submit a list of preliminarily approved projects to the Joint
30 Legislative Budget Committee by November 1 of that fiscal year.

31 (3) The Department of Finance shall submit a final list of
32 approved projects to the University of California no earlier than
33 December 1 of that fiscal year.

34 (4) The University of California shall not proceed with any
35 capital expenditures pursuant to Section 92493, as defined in
36 paragraph (1) of subdivision (b) of that section, or capital outlay
37 projects pursuant to Section 92494, before receiving approval from
38 the Department of Finance pursuant to this subdivision.

39 (e) Notwithstanding subdivision (b), the University of California
40 may use the authority provided in Section 92493 for the Merced

1 Classroom and Academic Office Building, as specified in Provision
2 3 of Item 6440-001-0001 of Section 2.00 of the Budget Act of
3 2013.

4 (f) Notwithstanding Section 10231.5 of the Government Code,
5 commencing with the 2014–15 fiscal year, on or before February
6 1 of each fiscal year, the University of California shall
7 simultaneously submit a progress report to the Joint Legislative
8 Budget Committee and the Department of Finance detailing the
9 scope, funding, and current status of all capital expenditures
10 undertaken pursuant to Section 92493 and for all capital outlay
11 projects undertaken pursuant to Section 92494.

12 *SEC. 11. Section 92675 of the Education Code is amended to*
13 *read:*

14 92675. (a) For purposes of this section, the following terms
15 are defined as follows:

16 (1) The “four-year graduation rate” means the percentage of a
17 cohort of undergraduate students who entered the university as
18 freshmen at any campus and graduated from any campus within
19 four years.

20 (2) The “two-year transfer graduation rate” means the percentage
21 of a cohort of undergraduate students who entered the university
22 at any campus as junior-level transfer students from the California
23 Community Colleges and graduated from any campus within two
24 years.

25 (3) “Low-income student” means an undergraduate student who
26 has an expected family contribution, as defined in subdivision (g)
27 of Section 69432.7, at any time during the student’s matriculation
28 at the institution that would qualify the student to receive a federal
29 Pell Grant. The calculation of a student’s expected family
30 contribution shall be based on the Free Application for Federal
31 Student Aid (FAFSA) application or an application determined by
32 the California Student Aid Commission to be equivalent to the
33 FAFSA application submitted by that applicant.

34 (b) Commencing with the 2013–14 academic year, the
35 University of California shall report, by March 15 of each year,
36 on the following performance measures for the preceding academic
37 year, to inform budget and policy decisions and promote the
38 effective and efficient use of available resources:

39 (1) The number of transfer students enrolled from the California
40 Community Colleges, and the percentage of California Community

1 College transfer students as a proportion of the total number of
2 undergraduate students enrolled.

3 (2) The number of new transfer students enrolled from the
4 California Community Colleges, and the percentage of California
5 Community College transfer students as a proportion of the total
6 number of new undergraduate students enrolled.

7 (3) The number of low-income students enrolled and the
8 percentage of low-income students as a proportion of the total
9 number of undergraduate students enrolled.

10 (4) The number of new low-income students enrolled and the
11 percentage of low-income students as a proportion of the total
12 number of new undergraduate students enrolled.

13 (5) The four-year graduation rate for students who entered the
14 university four years prior and, separately, for low-income students
15 in that cohort.

16 (6) The two-year transfer graduation rate for students who
17 entered the university two years prior and, separately, for
18 low-income students in that cohort.

19 (7) The number of degree completions, in total and for the
20 following categories:

21 (A) Freshman entrants.

22 (B) California Community College transfer students.

23 (C) Graduate students.

24 (D) Low-income students.

25 (8) The percentage of freshman entrants who have earned
26 sufficient course credits by the end of their first year of enrollment
27 to indicate they will graduate within four years.

28 (9) The percentage of California Community College transfer
29 students who have earned sufficient course credits by the end of
30 their first year of enrollment to indicate they will graduate within
31 two years.

32 (10) For all students, the total amount of funds received from
33 all sources identified in subdivision (c) of Section 92670 for the
34 year, divided by the number of degrees awarded that same year.

35 (11) For undergraduate students, the total amount of funds
36 received from the sources identified in subdivision (c) of Section
37 92670 for the year expended for undergraduate education, divided
38 by the number of undergraduate degrees awarded that same year.

39 (12) The average number of University of California course
40 credits and total course credits, including credit accrued at other

1 institutions, accumulated by all undergraduate students who
2 graduated, and separately for freshman entrants and California
3 Community College transfer students.

4 (13) (A) The number of degree completions in science,
5 technology, engineering, and mathematics (STEM) fields, in total,
6 and separately for undergraduate students, graduate students, and
7 low-income students.

8 (B) For purposes of subparagraph (A), “STEM fields” include,
9 but are not necessarily limited to, all of the following: computer
10 and information sciences, engineering and engineering
11 technologies, biological and biomedical sciences, mathematics
12 and statistics, physical sciences, and science technologies.

13 *(c) It is the intent of the Legislature that the appropriate policy*
14 *and fiscal committees of the Legislature review these performance*
15 *measures in a collaborative process with the Department of*
16 *Finance, the Legislative Analyst’s Office, individuals with expertise*
17 *in statewide accountability efforts, the University of California,*
18 *the California State University, and, for purposes of data integrity*
19 *and consistency, the California Community Colleges, and consider*
20 *any recommendations for their modification and refinement. It is*
21 *further the intent of the Legislature that any modification or*
22 *refinement of these measures be guided by the legislative intent*
23 *expressed in Section 66010.93.*

24 *SEC. 12. Section 10502 of the Public Contract Code is amended*
25 *to read:*

26 10502. The Regents of the University of California shall give
27 public notice of a project to bidders by publication twice within
28 the 60-day period preceding the day set for the receiving of bids
29 as follows:

30 (a) ~~It~~ *Either in one newspaper of general circulation published*
31 *in the county in which the major portion of the project is located*
32 *and in one such trade paper circulated in the county in which the*
33 *major portion of the work is to be done or electronically on the*
34 *Internet Web site of the university.*

35 (b) The notices shall state the time and place for the receiving
36 and opening of sealed bids, describe in general terms the work to
37 be done, and describe the bidding mode by which the lowest
38 responsible bidder will be selected.

39 *SEC. 13. (a) Of the moneys appropriated in Item*
40 *6110-196-0001 of the Budget Act of 2014, the sum of fifteen million*

1 dollars (\$15,000,000) shall be allocated to the State Department
2 of Education to be used to fund professional development stipends
3 for teachers, to be administered by local planning councils
4 established pursuant to Chapter 2.3 (commencing with Section
5 8499) of Part 6 of Division 1 of Title 1 of the Education Code. The
6 funds shall be allocated as follows:

7 (1) (A) First priority shall be for professional development
8 stipends for transitional kindergarten teachers.

9 (B) For purposes of this paragraph, professional development
10 stipends shall include, but shall not be limited to, stipends for
11 credentialed teachers to complete at least 24 units in early
12 childhood education or childhood development, or a combination
13 of both, pursuant to paragraph (1) of subdivision (g) of Section
14 48000 of the Education Code.

15 (2) Second priority shall be for professional development
16 stipends for teachers in the California state preschool program,
17 pursuant to Article 7 (commencing with Section 8235) of Chapter
18 2 of Part 6 of Division 1 of Title 1 of the Education Code for the
19 costs of credit bearing coursework in early childhood education,
20 child development, or both.

21 (b) For purposes of making the computations required by
22 Section 8 of Article XVI of the California Constitution, the
23 allocations for professional development activities pursuant to
24 this section are “General Fund revenues appropriated for school
25 districts,” as defined in subdivision (c) of Section 41202 of the
26 Education Code, for the 2014–15 fiscal year, and included within
27 the “total allocations to school districts and community college
28 districts from General Fund proceeds of taxes appropriated
29 pursuant to Article XIII B,” as defined in subdivision (e) of Section
30 41202 of the Education Code, for that fiscal year.

31 SEC. 14. If the Commission on State Mandates determines that
32 this act contains costs mandated by the state, reimbursement to
33 local agencies and school districts for those costs shall be made
34 pursuant to Part 7 (commencing with Section 17500) of Division
35 4 of Title 2 of the Government Code.

36 SEC. 15. This act is a bill providing for appropriations related
37 to the Budget Bill within the meaning of subdivision (e) of Section
38 12 of Article IV of the California Constitution, has been identified
39 as related to the budget in the Budget Bill, and shall take effect
40 immediately.

- 1 SECTION 1. ~~It is the intent of the Legislature to enact statutory~~
- 2 ~~changes relating to the Budget Act of 2014.~~

O